

PROSPECTUS: ***ISDO LOGGING UNIT***
COEUR D'ALENE INDIAN RESERVATION

THIS TIMBER IS NOT SUBJECT TO EXPORT RESTRICTIONS OR SUBSTITUTION LAWS.

INTRODUCTION

Coeur d'Alene Tribal Forestry offers for sale by sealed bid, in accordance with 25 CFR 163, an estimated 3,361 MBF of sawlogs and 3,363 tons of pulp and tonwood known as the Isdo Logging Unit. Bids will be opened at the Coeur d'Alene Tribal Natural Resource Building, 402 Anne Antelope Avenue, Plummer, Idaho 83851 on June 29, 2015. No bids will be accepted after 10:00 A.M. local time except as allowable by Tribal Employment Rights Ordinance (TERO) and CDA Resolutions 346 (2003) and 279 (2004). Only bids from entities that have a current, fully signed Coeur d'Alene Tribal Business License will be accepted.

This prospectus is furnished to acquaint you with the principal requirements and features of this logging unit. If its wording or meaning disagree with the contract, the contract is final and binding. No guarantee is made of estimated volumes or timber quality mentioned herein. You may wish to discuss complete contract obligations at the Tribal Forestry Office, Plummer, Idaho or call (208) 686-1501. Arrangements may be made to examine the sale area and you are urged to make such examination and to make an independent assessment to determine your bidding decisions. Each bidder must be prepared to assume full responsibility for the success of the operation under contract terms at the price bid.

BIDDING PROCEDURES

Acceptable bids must be submitted in duplicate, on forms provided, in a sealed envelope marked outside "Proposal for Timber, Isdo Logging Unit" and sent to the Coeur d'Alene Tribal Forestry, P.O. Box 408, Plummer, ID 83851, or hand delivered to the Coeur d'Alene Tribal Natural Resource Building, 402 Anne Antelope Avenue, Plummer, ID 83851. Each bid must state the price per net thousand board feet (MBF) for sawlogs using Scribner Decimal C log scale that will be paid for sawlogs cut and scaled. Minimum bid prices for the Isdo Logging Unit are:

2,163 MBF Douglas-fir/western larch sawlogs at \$295.00/MBF
110 MBF ponderosa pine sawlogs at \$200.00/MBF
51 MBF western redcedar sawlogs at \$550.00/MBF (non-biddable)
1,036 MBF grand fir/other species sawlogs at \$250.00/MBF
An undermined amount of western redcedar product at \$110.00/MBF (non-biddable, optional removal)
2,406 tons all species tonwood at \$15.00/ton (non-biddable, required removal)
957 tons all species pulp at \$2.00/ton (non-biddable, optional removal).

Bidders must submit a fully signed copy of their Tribal Business license with their bid. Bidders claiming Indian Preference must submit verification of TERO Indian Preference Logging Operator certification to be considered for Indian Preference.

DEPOSIT WITH BID

A deposit with bid, in the amount of thirty thousand dollars (\$30,000.00) in the form of a cashier's check, or other form acceptable to the Superintendent, payable to the Bureau of Indian Affairs must accompany each sealed bid. The deposit of the apparent high bidder and of others who submit written requests to have their bids considered for acceptance will be retained pending acceptance or rejection of bids. All other deposits will be returned.

PERIOD OF CONTRACT

The contract provides that all designated timber shall be cut and paid for on or before January 31, 2017. All other obligations shall be completed by July 31, 2017. A minimum volume of 500,000 board feet of timber is to be cut and paid by January 31, 2016.

LOCATION

The sale area includes T5345, T5346, T5347, T5348, T5373, & T5374 and is located in portions of:

Sections 1, 2, 3, 10, and 11 of T45N, R4W; and Section 35 of T46N, R4W; all Boise Meridian, Benewah County, Idaho.

TIMBER CRUISE SUMMARY

The following cut volume data was estimated from 71 variable plots on approximately 148 acres, as seen in Table 1 for ground skidding operations and Table 2 for line skidding operations.

Table 1. Timber Cruise Summary of Cut Volume / Unit For All Ground Skidding Operations

UNIT	ACRES	Gross MBF	Net MBF	% Defect	Net BF/ Log	Avg. DBH	Tonwood*	Pulp**
1	4.2	49	46	6.1	34	11.7	173	47
2	4.4	198	185	6.3	70	17.7	138	50
3	2.5	29	23	20.7	32	12.6	60	23
4	32.7	791	751	5.1	49	12.8	541	180
5***	8.3	200	186	7.0	60	17.0	95	26
6	25.0	701	650	7.3	50	15.0	302	108
7	8.9	302	287	4.9	48	13.9	116	105
8	17.1	286	270	5.5	45	13.0	303	132
TOTAL	103.1	2,556	2,398	7.8			1,728	671

*Gross tons, (4.0 – 5.9”), no western redcedar and ponderosa pine **Gross tons, (2.0 – 3.9”), no western redcedar

***Includes volume of trees in the new road to and from unit #5

The above plot cruise data is based on DBH and preferred lengths of 16.5 feet, with some length adjustments to clear defect or to utilize trees to the top diameter of 6.0” on all species (except western redcedar is appraised at 17.6’ length to a 9.0” top DIB).

Table 2. Timber Cruise Summary of Cut Volume / Unit For All Line Skidding Operations

UNIT	ACRES	Gross MBF	Net MBF	% Defect	Net BF/ Log	Avg. DBH	Tonwood*	Pulp**
2	9.3	420	394	6.3	70	17.7	65	24
5	2.3	48	45	7.0	60	17.0	25	7
8	33.7	554	524	5.5	45	13.0	588	255
TOTAL	45.3	1,022	963	6.2			678	286

*Gross tons, (4.0 – 5.9”), no western redcedar or ponderosa pine **Gross tons, (2.0 – 3.9”), no western redcedar

The above plot cruise data is based on DBH and preferred lengths of 16.5 feet, with some length adjustments to clear defect or to utilize trees to the top diameter of 6.0” on all species (except western redcedar is appraised at 17.6’ length to a 9.0” top DIB). As seen below, Table 3 shows the DIB classes/species/size classes distributed by 16-foot nominal log lengths.

Table 3. Appraised Sawlog Rates and 16 Foot Log Size Summary – All Units (MBF over % by diameter class)

Species	Appraised \$/MBF	6”-7”	8”-9”	10”-12”	13”-15”	16”-18”	19”+	TOTAL
DF/WL	\$295	271.2 13%	525.0 24%	736.0 34%	297.1 14%	168.3 8%	165.5 8%	2163.1
PP	\$200	4.5 4%	4.1 4%	24.1 22%	24.7 22%	12.9 12%	39.8 36%	110.1
WRC	\$550	3.0 6%	0.9 2%	17.9 35%	11.4 22%	6.0 12%	12.0 23%	51.2
GF/OS	\$250	146.8 14%	277.6 27%	260.0 25%	163.8 16%	83.0 8%	104.9 10%	1036.1
TOTAL	---	425.5 (13%)	807.6 (24%)	1038.0 (31%)	496.9 (15%)	270.2 (8%)	322.2 (10%)	3360.5

Weight wood includes pulp (2.0”- 3.9” DIB), or logs with more than 66% defect and tonwood (4.0”- 6.0” DIB). Tonwood is required removal and pulp is optional removal at non-biddable rates of \$15.00/ton and \$2.00/ton respectively. There are an estimated 2,406 tons of tonwood and 957 tons of pulp.

TIMBER MARKING

This sale has trees marked for leave in ORANGE in most units and to cut in BLUE in unit 7 and on two new roads (on 2 sides and/or full bands near eye level of the bole and a butt mark at the base of the tree). The sale areas are shown on the Exhibit A Map.

The purchaser will be penalized for cutting designated leave trees even if the cutting is accidental. Trees in the unit containing less than the minimum sawlog and/or tonwood specifications may be removed at the purchaser’s option if designated for cutting. Leave designations for any tree may be cancelled and/or changed by the Officer in Charge at any time before cutting.

TIMBER SALE ACCESS

Using State Highway 5, the timber sale area can be accessed from the Minaloosa Valley Road to Coon Creek Road. Another route is off of U.S. Highway 95 from the Benewah Road to Whitetail Draw Road. Both routes can be seen on the Exhibit B Map. The harvest area is approximately 9 road miles southeast of Plummer, Idaho.

ROAD MAINTENANCE

Road repairs/clearing including blading to remove brush and filling ruts or other damage is needed on approximately 8 miles of logging roads. Five separate wet areas need Pit Run rock and 11 rolling dips are to be installed on the main access road off of Coon Creek Road.

Final maintenance will be required on an estimated 2 miles of secondary roads and may include removing berms, filling in ruts/mud holes, repairing rolling dips, and blading the road surface.

MILL DISTANCES

The road distance from the midpoint of the sale area to State Highway 5 is approximately 9 road miles. The highway distance to various local mills is included in Table 4 as seen below.

Table 4. Distances to local Mills

Mill Name & Location	Distance	Mill Name & Location	Distance
Stimson (Plummer)	8.9 mi	Bennett Lumber (Princeton)	46.2 mi
Stimson (St. Maries)	24.4 mi	Idaho Forest Group (Chilco)	53.1 mi
Potlatch (St. Maries)	28.3 mi	Idaho Forest Group (LaCleda)	99.0 mi
Swan Lake Fiber (St. Maries)	28.3 mi	Boise-Cascade (Kettle Falls, WA)	128.0 mi

EROSION CONTROL

The purchaser shall maintain roads and landings in passable condition, with cross drainage installed suitable to handle spring run-off prior to seasonal move-out. Skid trails shall be waterbarred seasonally. At the completion of operations, roads shall be smoothed and cross ditched as specified by the Officer in Charge.

LOGGING RESTRICTIONS

Firewood – no dead Douglas-fir/western larch can be removed from the logging unit except one load to be delivered to a private residence in the Whitetail Draw area as directed by the Officer in Charge.

Unless logs are pre-bunched, skidding equipment shall be equipped with at least 75 feet of operating winch-line and shall not exceed 12 feet in width. Skidding equipment is restricted to designated or existing skid trails, landings or roads. Existing skid trails that parallel any intermittent stream shall not be used if they are located within 25 feet of a Class II and III streams. Skid trails that cross streams or seeps shall not be used without approval by the Officer in Charge and protective measures for the channel and banks. Liquidated damages will be charged for any unauthorized stream crossing in the amount of \$500.00 per crossing. Operations shall be suspended during periods of high soil moisture, as determined by the Officer in Charge. Damage from other unauthorized activities or negligence by the purchaser will be assessed at ten cents per square foot (\$4,356/acre) of area affected.

Equipment must be maintained to prevent leaking fuel, lubricant or hydraulic fluid, including during re-fueling and adding or changing lubricants or fluids.

Warning signs will be required on Coon Creek Road and Whitetail Draw Road during periods of active hauling. The Officer in Charge may require special measures to ensure safe working conditions.

SCALING PROVISIONS

Scaling shall be by third party scaling service authorized to scale Indian logs (or by USDA Forest Service scalers at approved sites), except that waste material as defined in B7.4 shall be scaled by Tribal Forestry. The Purchaser shall employ and pay scaling charges directly to the scaling service, unless the Approving Officer authorizes the Purchaser to deposit funds with the Coeur d'Alene Tribe for payment to the scaling service.

Third party scaling by the consuming mill may be authorized by the Approving Officer through approval of a Consumer Scale Authorization and Third Party Scaling Agreement with the consuming mill(s).

It is planned to use 100 percent scaling for sawlogs and 100% weight scale for tonwood and pulp. Tonwood and pulp may also be sample scaled and any pieces meeting sawlog specifications shall be expanded to count loads and billed at the bid rates for sawlogs.

SLASH AND CULL TREE DISPOSAL

The Purchaser is relieved of the responsibility for burning slash contingent on the \$20,000 Prescribed Burn payment. However, slash generated in the landings shall be piled at least 30 feet from leave trees and fire lines. Slash remaining from previous harvest operations or from insect, wind, or other damage shall be re-piled with current harvest slash. The Officer in Charge may require re-piling if slash piles contain excessive dirt.

Slash piles shall be located outside the drip ring edge of the nearest trees, a distance of at least 1½ times the average diameter of the slash pile. When stand conditions make compliance with the preceding statement impractical, slash piles shall be kept less than 10 feet in diameter and spaced from the leave trees as far as possible, but no less than 10 feet.

The Purchaser shall fall all dead trees and live cull trees within cutover area(s) designated for prescribed burning, that are within a distance equal to the height of such dead tree/cull to any boundary road, fireline or internal access road. Individual dead trees/culls may be excluded from this requirement by the Officer in Charge. Cull tree felling shall be completed in each unit as soon as practical after yarding or skidding, or as designated by the Officer in Charge.

NOXIOUS WEEDS

Skidding equipment shall be washed seasonally prior to move-in. Washing shall be sufficient to remove weed seeds from the equipment.

UTILIZATION

Timber shall be cut to fully utilize the merchantable material and to yield the maximum stumpage value. Timber cut into lengths or products of lesser value shall be scaled as if cut to yield the maximum value of products covered by the contract.

The purchaser shall ensure that all merchantable material that is designated to be cut is removed from the sale. All waste in improper long butts, tops, broken and partially sound logs, missed logs or trees, and trees designated for cutting that are not removed shall be scaled by Tribal Forestry and paid for by the purchaser.

PAYMENT FOR TIMBER

The purchaser shall pay for timber in advance of cutting through advance payments and/or advance deposits in the form of cashier's check or electronic funds transfer. Payments and deposits are due on the date specified in the written requests from the BIA/Tribe.

ADVANCE DEPOSIT

The contract requires that timber will be paid for in advance of being cut. This shall be accomplished by maintaining an account of advance deposits, which the Purchaser will pay into at regular intervals during the course of operations to maintain a minimum balance.

After the bid has been accepted by the Approving Officer, a required Logging Plan meeting will be held with the Purchaser to determine the specifics of the planned harvest operation. The minimum Advance Deposit will then be calculated by multiplying the average volume of the monthly production during the Purchaser's usual or average planned season of operations by the bid price for all sawlogs and products.

Refunds of surplus account balances shall be made to the purchaser upon closure of the sale.

PERFORMANCE BOND

A performance bond in the amount of fifty thousand dollars (\$50,000.00) shall be furnished by the Purchaser within 30 days of the acceptance of the bid, before contract approval, and shall be retained for the duration of the contract to ensure satisfactory performance by the Purchaser. The bond may be in the form of a cashier's check, Irrevocable Letter of Credit, or other form acceptable to the Approving Officer.

TRIBAL EMPLOYMENT RIGHTS ORDINANCE (TERO)

The Coeur d'Alene Tribe operates under an Indian preference labor ordinance. The TERO requires that Indian subcontractors be given preference for hiring. Before bidding, prospective bidders should contact the TERO office to obtain full information regarding qualifications, availability and other requirements for Indian subcontractors to claim TERO preference. All bidders are required to obtain a Coeur d'Alene Tribal Business license prior to submitting a bid. Business licenses can be obtained from the TERO office indicated below. The purchaser and any subcontractors will be required to submit a TERO compliance plan to the TERO director for approval prior to commencement of operations each season.

Coeur d'Alene Tribal Employment Rights Office (TERO)
P. O. Box 408, 850 A Street
Plummer, ID 83851
Telephone: (208) 686-6107

ADDITIONAL REQUIREMENTS

Cable yarding is required on units 2, 5, and 8 as seen on Exhibit A Map. The yarder must be able to reach a distance of at least 1,400 feet external yarding distance and the carriage must maintain a fixed position during lateral yarding. Any tailholds that are not adequately protected and/or removed may be charged as unauthorized cutting. Location of skidding corridors must have prior approval. Partial suspension is allowed in this operation.

Additional requirements include grass seeding on approximately 1.0 mile of secondary roads and 3.8 miles of contract to constructed firelines.

Three roads need to be cleared of brush to and from units 2, 3, 4, and 6 comprising of approximately 1.0 miles. Two new roads are needed to and from units 5 – 8 consisting of approximately 1.3 total miles. Seven culverts are needed for both roads. Eleven rolling dips are needed on existing access roads. Five separate wet areas need Pit Run rock to help stabilize existing access roads.

The Purchaser shall pay for the use of a road to and from units 5 – 7 in the amount of \$2,000 to a private landowner as detailed in the Logging Plan.

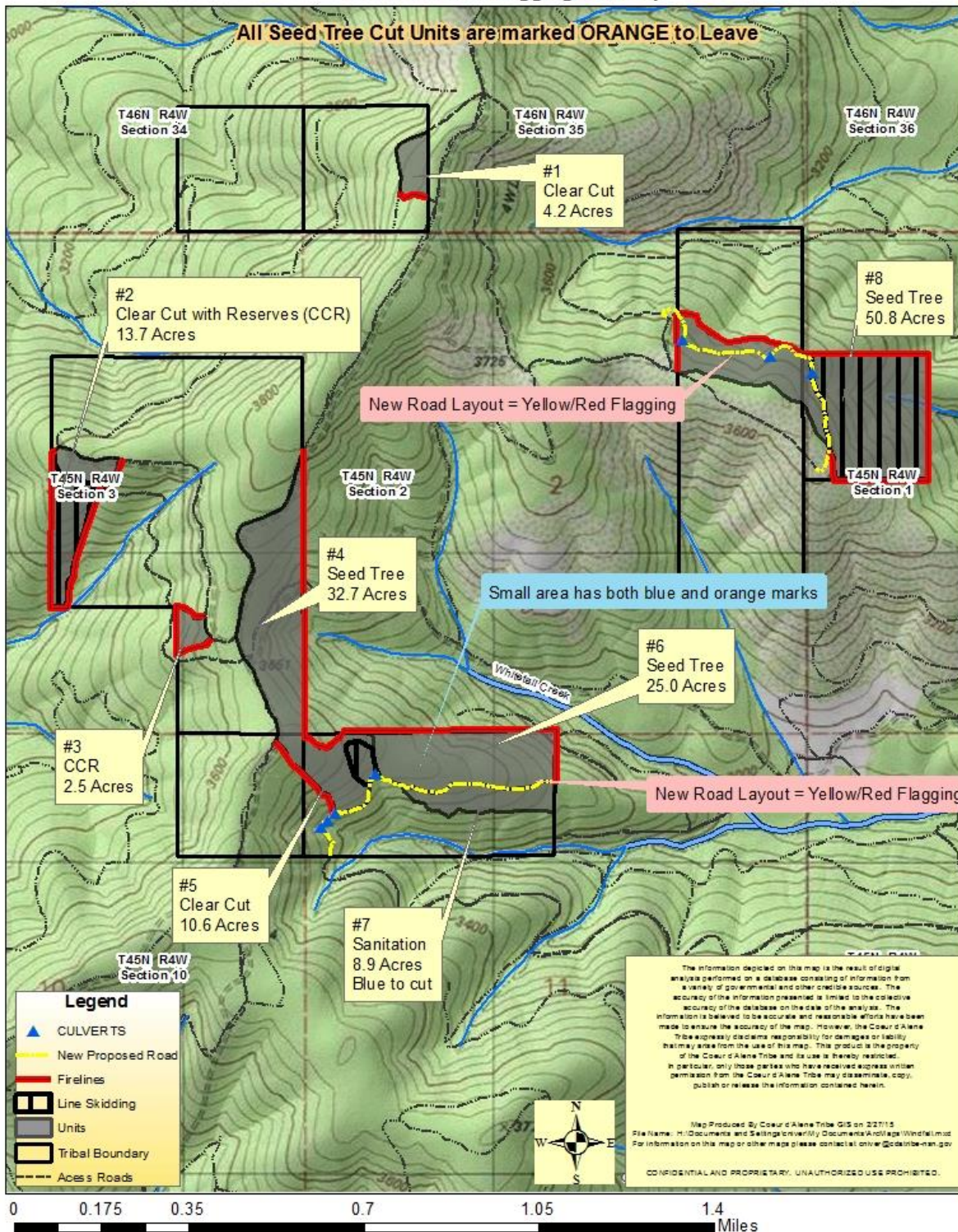
A separate check for \$24,000.00 is to be paid for reforestation purposes by February 15, 2016 or within 30 days of final hauling, whichever is first.

A separate check for \$20,000.00 is to be paid for prescribed burning purposes by December 31, 2016.

CONCLUSION

Additional Information may be obtained from Kurt Mettler at the Coeur d'Alene Tribe Forestry Department, P. O. Box 408, Plummer, ID 83851 at (208) 686-1315, or Conrad M. Niver at (208) 686-1501. Also, at the Tribal Website at: <http://www.cdatribe-nsn.gov/natural/Forestry/forestry.aspx>

Exhibit A: Isdo Logging Unit Map



Map made by C Niver on 2/27/2015

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